
Law Enforcement in the Supervision of the Halal Product Process for Micro and Small Enterprises: An Analysis Based on Lawrence Friedman's Legal System Theory

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ABSTRACT

The supervision of the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs) in Indonesia remains inadequate despite the existence of a relatively comprehensive legal framework. This study addresses two research questions: why does the supervision of the Halal Product Process for MSEs in Indonesia continue to exhibit structural weaknesses despite the existence of a comprehensive legal framework? and how do these supervisory weaknesses affect the protection of the spiritual rights of Muslim consumers? This study employs normative legal research using statutory and conceptual approaches. Relevant legislation on halal product assurance is analyzed through Lawrence Friedman's legal system theory, particularly the legal structure dimension, complemented by the theory of law enforcement. The findings reveal that Law Number 33 of 2014 on Halal Product Assurance and Government Regulation Number 39 of 2021 provide only general provisions concerning supervisory mechanisms and do not establish operational standards specifically tailored to the characteristics of MSEs. From the perspective of legal structure, the institutional capacity of the Halal Product Assurance Agency (BPJPH) has been predominantly directed toward accelerating halal certification to meet the October 2026 mandatory certification deadline, while post-certification supervision has received comparatively less attention. This institutional imbalance is further compounded by inadequate coordination among BPJPH, the National Agency of Drug and Food Control (BPOM), and local governments. These structural weaknesses undermine the effective protection of the spiritual rights of Muslim consumers by increasing the risk of non-compliance with halal requirements after certification. Although spiritual rights are not expressly recognized under Indonesian legislation, they may be understood in relation to consumers' rights to safety, comfort, and accurate information under Law Number 8 of 1999 on Consumer Protection. Strengthening institutional capacity, establishing clearer supervisory mechanisms, and enhancing inter-agency coordination are therefore essential to improving halal product assurance and protecting the spiritual interests of Muslim consumers.

Keywords:

Halal Product Process Supervision; Halal Product Assurance; Legal Structure; Law Enforcement; Spiritual Rights of Muslim Consumers; Inter-Agency Coordination.

Introduction

As the country with the largest Muslim population in the world, with approximately 237.53 million Muslims, Indonesia bears both a moral responsibility and a strategic opportunity to become a global leader in halal product governance.^(Saputra et al., 2025) The size of its Muslim population positions Indonesia not only as the world's largest halal market but also as a country with the legitimacy to establish a credible and competitive halal product assurance system. Various reports, including the *State of the Global Islamic Economy Report*, consistently rank Indonesia among the countries with the highest levels of halal food and beverage consumption worldwide.^(Aziz et al., 2025) Nevertheless, the institutional capacity established to ensure the halal

integrity of products circulating in the market continues to exhibit significant structural limitations, preventing it from fully meeting the growing demands of the domestic halal market. This condition reveals a considerable gap between Indonesia's vast halal economic potential and the effectiveness of its supervisory system, which constitutes the cornerstone of maintaining the integrity of halal products.

As part of the government's commitment to ensuring legal certainty regarding halal products, Indonesia enacted Law Number 33 of 2014 on Halal Product Assurance (the Halal Product Assurance Law). The enactment of this legislation marked a fundamental shift from a halal certification system that had previously been largely voluntary and market-driven to a mandatory legal regime administered and supervised by the State for a wide range of products distributed within Indonesia. The implementation of this legal framework was subsequently strengthened through Government Regulation Number 42 of 2024 on the Administration of the Halal Product Assurance Sector, which designates the Halal Product Assurance Organizing Agency (*Badan Penyelenggara Jaminan Produk Halal*—BPJPH) as the principal authority responsible for regulating, administering, supervising, and ensuring the implementation of the halal product assurance system throughout Indonesia. Accordingly, from a normative perspective, Indonesia has established a relatively comprehensive regulatory framework governing halal product assurance.

Despite this comprehensive legal framework, its implementation continues to encounter significant challenges. In practice, a substantial gap exists between the regulatory design established by the legislature and the institutional capacity required to carry out effective supervision. This issue has become increasingly apparent as the mandatory halal certification deadline in October 2026 approaches, placing considerable pressure on the BPJPH to accelerate the issuance of an exceptionally large number of halal certificates.^(Warto et al., 2026) As institutional priorities have increasingly focused on achieving quantitative certification targets, less attention has been devoted to post-certification supervision, which serves as the primary mechanism for ensuring that business actors consistently comply with the requirements of the Halal Product Process (HPP). Consequently, public policy has tended to prioritize increasing the volume of halal certification rather than strengthening the quality and effectiveness of supervisory mechanisms. This imbalance between the objective of developing an effective halal governance system and the State's law enforcement capacity constitutes one of the principal motivations for the present study.

Within this context, Micro and Small Enterprises (MSEs) occupy a position that is both crucial and particularly vulnerable within Indonesia's halal product assurance system. According to data from the Ministry of Cooperatives and Small and Medium Enterprises, MSEs account for more than 98 percent of all registered business entities in Indonesia and dominate the production of food and beverages consumed by the public.^(Warto et al., 2026) This overwhelming proportion demonstrates that the effectiveness of the halal product assurance system ultimately depends upon the level of compliance achieved by MSEs and the effectiveness of the supervisory mechanisms governing this sector. Consequently, policies concerning halal governance should not focus exclusively on large-scale enterprises but should also be designed to accommodate the distinctive characteristics, institutional limitations, and supervisory needs of MSEs.

Nevertheless, both the existing regulatory framework and institutional implementation have continued to exhibit a tendency to favor large enterprises, which generally possess more established production systems, greater financial and human resources, and stronger administrative capacities. In contrast, MSEs remain subject to a supervisory regime that has yet to receive proportional regulatory and institutional attention. This situation is particularly significant because the Halal Product Process (HPP) encompasses far more than the use of halal raw materials. It includes the entire production process, production facilities, supply chain

management, segregation from *najis* (ritually impure substances), and the competence of the Halal Supervisor responsible for ensuring the consistent implementation of halal standards.^(Sukri, 2021) The complexity of these requirements demonstrates that compliance with the HPP necessitates a continuous, measurable, and risk-based supervisory system specifically adapted to the operational characteristics of MSEs. Consequently, the assurance of halal integrity should not cease upon the issuance of a halal certificate but must be continuously maintained throughout the entire production process.

One of the most significant policy developments in Indonesia's halal product assurance system has been the introduction of the self-declaration (*self-declare*) mechanism for Micro and Small Enterprises (MSEs).^(Musataklima, 2021) This policy represents a major regulatory innovation that has generated substantial impacts while simultaneously giving rise to considerable debate, particularly regarding the effectiveness of post-certification supervisory mechanisms. Consequently, an understanding of the legal basis, legislative objectives, and institutional implications of the *self-declare* mechanism is essential to explain why the supervisory issues identified in this study should not merely be regarded as administrative deficiencies but rather as consequences of a regulatory framework that continues to exhibit significant gaps in law enforcement. The legal foundation of this mechanism originated from Law Number 33 of 2014 on Halal Product Assurance, which generally requires every product circulated in Indonesia to obtain halal certification through an examination and verification process conducted by the Halal Product Assurance Organizing Agency (*Badan Penyelenggara Jaminan Produk Halal*—BPJPH) in cooperation with a Halal Inspection Agency (*Lembaga Pemeriksa Halal*—LPH).^(Fitriani et al., 2024) Under the original framework of the Halal Product Assurance Law, halal certification was conceived as a comprehensive verification process involving an independent third-party inspection. In practice, however, this model created significant obstacles for MSEs due to limitations in financial resources, administrative capacity, and production scale. These challenges ultimately prompted regulatory reform through Law Number 6 of 2023 on the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation as Law, which replaced Law Number 11 of 2020, and provided the legal basis for simplifying the halal certification process through the *self-declare* scheme.^(Harahap, 2024)

This policy reform was implemented through the insertion of Article 4A into the Halal Product Assurance Law as part of the amendments introduced by Law Number 6 of 2023. Article 4A paragraph (1) expressly grants Micro and Small Enterprises the opportunity to determine the halal status of their products through a self-declaration mechanism without undergoing the complete third-party inspection procedures required of larger business entities. This policy choice reflects a shift in regulatory orientation from a system primarily emphasizing formal verification toward an approach that prioritizes broader access to halal certification. Such a policy was adopted in recognition of the fact that requiring all MSEs to undergo conventional certification procedures involving comprehensive inspections by Halal Inspection Agencies (LPHs) would impose substantial administrative and financial burdens on most business operators. Accordingly, the *self-declare* mechanism functions as a policy instrument intended to strike a balance between the legal obligation to obtain halal certification and the practical capacity of MSEs to comply with such requirements.

Further provisions governing the implementation of the self-declare mechanism are set out in Government Regulation Number 42 of 2024 on the Administration of the Halal Product Assurance Sector and Minister of Religious Affairs Regulation Number 20 of 2021. These regulations provide detailed technical guidelines concerning the requirements that MSEs must satisfy before submitting a self-declaration of the halal status of their products. Among these requirements are participation in Halal Product Process (HPP) training programs organized by the BPJPH or other officially authorized institutions, ensuring that all raw materials and additives are sourced from suppliers holding valid halal certification, and guaranteeing that the entire

production process is protected against contamination by *najis* (ritually impure substances) or other materials prohibited under Islamic law. These requirements demonstrate that the self-declare mechanism does not eliminate the obligation to comply with halal standards; rather, it simplifies administrative procedures while maintaining the substantive obligation to satisfy all requirements governing the Halal Product Process.

Nevertheless, while simplifying the certification process, the *self-declare* mechanism has simultaneously created new challenges in relation to supervision. As the initial verification process becomes less stringent through self-declaration, the need for effective post-certification supervision becomes increasingly critical. Under such circumstances, the effectiveness of the halal product assurance system depends not only upon the issuance of halal certificates but also upon the State's capacity to ensure continuous compliance with the requirements of the Halal Product Process after certification has been granted. Without sustained and effective supervision, the *self-declare* mechanism risks creating a discrepancy between a product's legal status as halal and the actual conditions under which it is produced. Accordingly, the success of the *self-declare* policy depends fundamentally upon the existence of a supervisory system capable of periodically verifying the consistent implementation of Halal Product Process standards.^(Khalimy et al., 2023)

The urgency of strengthening this supervisory system can be understood from at least three interrelated dimensions.^(Warto et al., 2026) First, from a regulatory perspective, the approaching deadline for mandatory halal certification in October 2026 will significantly increase the number of MSEs holding halal certificates. This development will inevitably require a supervisory mechanism capable of ensuring that compliance with Halal Product Process requirements continues after certification has been issued. However, Indonesia has yet to establish adequate institutional infrastructure capable of conducting systematic and continuous post-certification supervision.

Second, from a market perspective, the existence of halal labels without effective supervisory mechanisms creates the potential for moral hazard. Business operators that have already obtained halal certification may lose the incentive to maintain compliance with Halal Product Process standards if there is little likelihood of periodic inspections or evaluations. Under such circumstances, halal certification risks being perceived merely as an administrative requirement to be fulfilled at the initial application stage rather than as a continuing commitment that must be maintained throughout the production and marketing of products. If this condition persists, the integrity of Indonesia's halal product assurance system will gradually deteriorate, as halal labels will no longer reliably reflect continuous compliance with halal standards.

Third, from the perspective of rights protection, inadequate supervision has more fundamental implications for Muslim consumers. For individuals who regard the consumption of halal products as an integral part of religious observance, the existence of halal certification constitutes a form of State assurance that the products they consume comply fully with the requirements of Islamic law (*Sharia*). Consequently, when supervision of compliance with the Halal Product Process (HPP) is not effectively implemented, consumers face not only the risk of receiving inaccurate information regarding the halal status of a product but also the possibility of fulfilling their religious obligations on the basis of misleading information. Accordingly, deficiencies in the supervisory system are no longer merely a matter of administrative effectiveness; they also concern the protection of citizens' constitutional rights to practice their religion.

These three dimensions demonstrate that strengthening supervision of the Halal Product Process is particularly urgent before the next phase of mandatory halal certification. Under Government Regulation Number 42 of 2024, the staged obligation for MSE products in the food and beverage sector, slaughtered products, and slaughtering services reaches its effective

deadline on 17 October 2026, with the obligation applying from 18 October 2026. The October 2026 phase also covers several other product categories, including cosmetics, certain pharmaceutical products, chemical and genetically engineered products, specified food ingredients, and certain consumer goods. The implementation therefore requires not only accelerated certification but also adequate mechanisms for continuing compliance and supervision.

Academic scholarship on halal certification and halal product assurance governance in Indonesia has expanded considerably over the past decade. Nevertheless, the existing literature continues to focus primarily on specific aspects of the halal assurance system, leaving important areas insufficiently explored. Most previous studies have examined halal certification procedures, the implementation of the *self-declare* policy, the development of the halal industry, and consumer protection from a normative legal perspective. By contrast, research specifically addressing the effectiveness of post-certification supervision of the Halal Product Process (HPP), particularly within the Micro and Small Enterprise (MSE) sector, remains relatively limited. Consequently, the question of how weaknesses in the institutional structure affect the effectiveness of halal product supervision has yet to receive adequate attention within either legal scholarship or the broader literature on halal governance.

One of the most influential studies emphasizing the importance of supervision within the halal assurance system was conducted by Tieman, Van der Vorst, and Ghazali in the *International Journal of Consumer Studies*. Their research argues that the integrity of the halal supply chain depends not only on the existence of certification but also on the consistent implementation of halal standards throughout every stage of the supply chain. They further contend that certification without continuous verification and supervisory mechanisms gives rise to a halal integrity gap, namely a discrepancy between the halal status formally declared through certification and the actual conditions under which products are produced and distributed. This concept is highly relevant to the administration of Indonesia's halal product assurance system, particularly in relation to the supervision of MSEs operating under the self-declare mechanism. The scale of certification also underscores the supervisory challenge. BPJPH reported that by October 2025 it had issued approximately 2.79 million halal certificates covering 9.6 million certified products, while in 2026 it allocated 1.35 million free-certification quotas specifically for MSEs. These figures demonstrate the expanding volume of certified products and the need for post-certification oversight, although they do not by themselves establish that supervisory capacity has grown more slowly than certification volume. Accordingly, the present study treats the supervisory-capacity gap as an institutional issue requiring further empirical measurement rather than as an already-proven quantitative disparity.

Accordingly, this study addresses two research questions: RQ1, to what extent does Indonesia's current legal and institutional framework provide an adequate basis for post-certification supervision of the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs), particularly under the self-declare scheme? RQ2, how do weaknesses in post-certification supervision affect the protection of Muslim consumers' spiritual interests? These questions guide the analysis of the regulatory framework, institutional structure, and consumer-rights implications discussed below.

Although numerous studies have examined various aspects of halal certification, most continue to regard supervision primarily as an administrative issue. Such an approach does not adequately explain why supervisory weaknesses persist despite Indonesia's relatively comprehensive regulatory framework governing halal product assurance. This study proceeds from the premise that the principal problem lies not only in the substance of legal norms but also in the effectiveness of the legal system responsible for implementing those norms. Accordingly,

this research employs Lawrence Friedman's Legal System Theory as its analytical framework to examine the relationship among legal norms, institutional arrangements, and legal culture in the supervision of the Halal Product Process for Micro and Small Enterprises.

According to Lawrence Friedman, the effectiveness of a legal system is determined by the interaction of three principal subsystems: legal structure, legal substance, and legal culture. The legal structure encompasses the organizational framework, institutional arrangements, law enforcement agencies, and the capacity of institutions responsible for implementing the law. Legal substance refers to the body of legal norms, statutory regulations, and public policies that constitute the foundation of the legal system. Legal culture, meanwhile, reflects the values, attitudes, perceptions, and level of legal awareness held by both society and State officials regarding the operation of the law.^(Afif, 2018) These three subsystems are inseparable, as the effectiveness of legal rules depends not only on the quality of legal norms themselves but also on the institutional capacity to implement them and the degree of public acceptance of those norms.

Within the context of supervising the Halal Product Process, this study focuses primarily on the legal structure dimension because the principal challenge confronting Indonesia does not stem solely from deficiencies in legal norms. From a normative perspective, the legal framework governing halal product assurance has already been established through Law Number 33 of 2014 on Halal Product Assurance and its implementing regulations. However, the effectiveness of these legal norms depends fundamentally upon the institutional capacity of the agencies responsible for their enforcement. Accordingly, this study seeks to evaluate the extent to which the BPJPH, as the authority responsible for administering the halal product assurance system, is capable of performing effective post-certification supervision, how coordination among the BPJPH, the National Agency of Drug and Food Control (BPOM), and local governments is carried out, and how these institutional conditions influence the effectiveness of law enforcement in ensuring compliance with the Halal Product Process within the MSE sector.^(Fibrianti et al., 2023)

In addition to institutional factors, this study also considers the legal culture dimension as an important determinant of supervisory effectiveness. Compliance with Halal Product Process standards is influenced not only by the threat of legal sanctions or the intensity of government supervision but also by the legal awareness of business operators in consistently maintaining halal production practices. Conversely, many Muslim consumers tend to assume that all products bearing halal labels automatically comply with Islamic law without undertaking any further verification. This limited consumer scrutiny weakens market-based social control over business actors, while the relatively low level of demand-side pressure prevents market discipline from effectively compensating for the limitations of institutional supervision.

Another important concern of this study is the protection of the rights of Muslim consumers. Existing discussions of consumer protection have generally focused on economic rights, product safety, and the right to accurate information. For Muslim consumers, however, the halal status of a product extends beyond consumer preference; it constitutes an essential aspect of fulfilling religious obligations and therefore possesses a distinct spiritual dimension. Consequently, the State's failure to ensure that products circulating in the market genuinely comply with Halal Product Process standards not only results in economic and informational harm but also has the potential to interfere with the constitutional right of citizens to practice their religion. On this basis, the present study argues that the spiritual rights of consumers constitute an integral component of consumer protection. These rights may be derived from the constitutional guarantee of freedom of religion under Article 28E and Article 29 paragraph (2) of the 1945 Constitution of the Republic of Indonesia, interpreted systematically in conjunction with the rights to safety and accurate information guaranteed under Law Number 8 of 1999 on Consumer Protection.

Building upon the foregoing discussion, this study positions itself within a research area that has received relatively limited attention in the existing literature. The novelty of this research lies in its examination of the weaknesses in law enforcement concerning the supervision of the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs) through the analytical lens of Lawrence Friedman's Legal System Theory, with particular emphasis on the dysfunction of the legal structure. In addition, this study advances the argument that deficiencies in the supervisory system have direct implications for the violation of the spiritual rights of Muslim consumers. Accordingly, this research not only evaluates the effectiveness of the existing regulatory and institutional framework but also broadens the discourse on consumer protection by recognizing the spiritual dimension of consumer rights as a legitimate legal interest deserving protection within Indonesia's legal system.

This research adopts a normative legal research approach aimed at systematically analyzing the effectiveness of the legal framework governing the supervision of the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs) in Indonesia. The analysis begins with the identification and evaluation of the legal instruments regulating the administration of the halal product assurance system, followed by an examination of their relationship with current law enforcement practices. Subsequently, Lawrence Friedman's Legal System Theory is employed as the principal analytical framework to identify the causes of supervisory dysfunction from the perspective of the legal structure, while also developing a conceptual argument regarding the spiritual rights of consumers as an integral component of Indonesia's consumer protection regime. The discussion proceeds systematically, beginning with an assessment of the existing regulatory framework, followed by an analysis of institutional capacity and supervisory effectiveness, and concluding with an examination of the legal implications for the protection of the rights of Muslim consumers. Through this analytical framework, the study demonstrates that weaknesses in halal product supervision should not be understood merely as administrative or technical institutional deficiencies but rather as deficiencies in law enforcement that directly affect the realization of the constitutional rights of Muslim consumers.

The contribution expected from this study extends beyond the advancement of academic scholarship on halal governance. It also seeks to provide normative recommendations for strengthening public policy in the field of halal product assurance. As the implementation of mandatory halal certification in 2026 approaches, the orientation of Indonesia's halal product assurance system should shift from a paradigm emphasizing the number of certificates issued toward one that prioritizes the effectiveness of supervision and the sustainability of business compliance. Such a shift is essential because the success of the halal product assurance system cannot be measured solely by the quantity of halal certificates granted, but also by the State's ability to ensure that certified products continue to comply with Halal Product Process (HPP) standards throughout their production and distribution processes. Accordingly, this study is expected to contribute to strengthening the institutional policies of the Halal Product Assurance Organizing Agency (BPJPH) and improving the post-certification supervisory system, particularly in addressing the challenges facing Indonesia's halal product assurance regime in the post-2026 period.

Systematically, this study is structured around three interrelated stages of analysis that collectively form a coherent analytical framework. The first stage focuses on the identification and critical evaluation of the regulatory framework governing the supervision of the Halal Product Process for Micro and Small Enterprises. This stage encompasses an examination of Law Number 33 of 2014 on Halal Product Assurance, as amended by Law Number 6 of 2023, Government Regulation Number 42 of 2024, Minister of Religious Affairs Regulation Number 20 of 2021, and their relationship with Law Number 8 of 1999 on Consumer Protection. The evaluation aims to determine the extent to which these legal instruments provide an adequate normative basis for supervisory activities, while identifying operational regulatory gaps,

overlapping institutional authority, and the absence of supervisory mechanisms specifically designed to accommodate the unique characteristics of MSEs.

The second stage analyzes the effectiveness of law enforcement through the framework of Lawrence Friedman's Legal System Theory, with particular emphasis on the legal structure subsystem. This stage seeks to explain why legal provisions that are normatively well established have not been effectively translated into supervisory practices in the field. In this context, the study evaluates the institutional capacity of the BPJPH as the authority responsible for administering the halal product assurance system, the institutional priorities that remain predominantly focused on accelerating the issuance of halal certificates, and the effectiveness of coordination among the BPJPH, the National Agency of Drug and Food Control (BPOM), and local governments. The analysis demonstrates that the weakness of the supervisory system is attributable not merely to deficiencies in legal substance but, more fundamentally, to dysfunctions within the institutional structure that impede the effective implementation of supervisory functions.^(Aulia, 2020)

The third stage develops an analysis of the implications of weak supervision for the protection of the rights of Muslim consumers. In this section, the study argues that the State's failure to implement effective supervision of the Halal Product Process gives rise not only to administrative deficiencies but also to violations of consumers' spiritual rights. The concept of spiritual rights is constructed through a systematic interpretation of the constitutional guarantee of freedom of religion contained in Article 28E and Article 29 paragraph (2) of the 1945 Constitution of the Republic of Indonesia, read together with the rights to safety, comfort, and accurate information guaranteed under Law Number 8 of 1999 on Consumer Protection. On this basis, the study proposes that the spiritual rights of consumers should be recognized as a legitimate legal interest deserving protection through the strengthening of the State's obligation to supervise halal products effectively.

Through this analytical framework, the study is expected to produce three principal findings. First, the current regulatory framework does not provide an adequate operational foundation for supervising the Halal Product Process within the Micro and Small Enterprise sector. Second, the primary cause of weak supervision lies in the dysfunction of the legal structure subsystem, as conceptualized by Lawrence Friedman's Legal System Theory, rather than merely in deficiencies of legal norms. Third, the group most adversely affected by these supervisory deficiencies is Muslim consumers, who occupy not only the position of consumers in commercial transactions but also that of constitutional rights holders whose religious and spiritual interests are entitled to protection by the State. Accordingly, this study is expected to make a theoretical contribution to the development of scholarship on halal product assurance law while simultaneously providing a normative foundation for reforming Indonesia's halal supervisory system in the post-2026 era.

Research Method

This study employs normative legal research using statutory and conceptual approaches. The primary legal materials are selected because they directly regulate halal product assurance, certification, supervision, consumer protection, and the governance of Micro and Small Enterprises (MSEs), including Law Number 33 of 2014 on Halal Product Assurance as amended by Law Number 6 of 2023, Government Regulation Number 42 of 2024, Minister of Religious Affairs Regulation Number 20 of 2021, Law Number 8 of 1999 on Consumer Protection, and related legislation. Secondary legal materials are selected purposively from scholarly books and peer-reviewed journal articles that address halal certification, self-declaration, legal culture, law enforcement, consumer protection, and halal governance. Materials are included where they have

direct analytical relevance to the research questions and provide doctrinal interpretation, theoretical grounding, or evidence concerning institutional implementation. The analysis is conducted descriptively and interpretatively: first, relevant norms are inventoried and compared; second, institutional arrangements are assessed against those norms; and third, the resulting legal and institutional conditions are interpreted through Lawrence Friedman's Legal System Theory and Soerjono Soekanto's law-enforcement framework. Friedman's legal-structure dimension is operationalized through four indicators: clarity of institutional authority, adequacy of institutional resources, functional coordination among relevant agencies, and the availability of operational mechanisms for implementing supervisory mandates. The legal-substance dimension is assessed through clarity, completeness, and operational enforceability of supervisory rules, while legal culture is assessed through institutional orientation and the level of legal awareness and compliance of relevant actors. Soekanto's framework is used as a complementary test by examining the law itself, law-enforcement institutions, facilities or resources, society, and legal culture as factors affecting implementation.

Results and Discussion

Regulatory Framework Analysis of the Supervision of the Halal Product Process for Micro and Small Enterprises: A Normative Inventory

An analysis of the weaknesses in Indonesia's halal product supervisory system must begin with a systematic inventory of the legal instruments governing the supervision of the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs). (Herianti et al., 2023) Such an inventory demonstrates that the principal issue does not lie in the absence of regulations governing supervision but rather in the existence of a regulatory framework characterized by overlapping normative provisions that define institutional authority without providing an adequate level of operational guidance. Consequently, although numerous legal provisions formally regulate supervision, their practical implementation has resulted in a functional vacuum that, in substantive terms, resembles the absence of an effective supervisory mechanism.

Law Number 33 of 2014 on Halal Product Assurance (Halal Product Assurance Law) constitutes the primary legal instrument establishing the normative framework for supervising the halal product assurance system. Under Article 49, the Halal Product Assurance Organizing Agency (BPJPH) is entrusted with the authority to supervise the implementation of the halal product assurance system, while Article 50 provides that such supervision shall be conducted through both routine inspections and complaint-based supervisory mechanisms. Nevertheless, the statutory provisions remain highly general in nature. The Halal Product Assurance Law merely identifies the objects subject to supervision without specifying the operational procedures governing supervisory activities, the institutions or officials responsible for implementation, the frequency of inspections, or the technical standards applicable to the supervision of Micro and Small Enterprises (MSEs).

This level of generality is understandable, given that statutory legislation is intended to establish a broad normative framework rather than detailed operational procedures. However, it also creates a significant need for implementing regulations capable of translating these legislative mandates into clear and practical supervisory procedures. It is precisely at the level of implementing regulations that the most fundamental weaknesses within Indonesia's legal architecture for halal product supervision become apparent.

Government Regulation Number 42 of 2024 on the Administration of the Halal Product Assurance Sector represents the most comprehensive regulatory instrument intended to operationalize the supervisory provisions established under the Halal Product Assurance Law.

Articles 72 through 78 of this Government Regulation govern the scope of supervision over the Halal Product Process (HPP) by designating the BPJPH as the principal authority responsible for carrying out supervisory functions. The scope of supervision encompasses the materials used in production, the implementation of the Halal Product Process itself, and the use of halal labels on products placed on the market. Furthermore, the Regulation distinguishes between two forms of supervision: routine supervision, conducted periodically by government authorities, and complaint-based supervision, initiated in response to reports submitted by members of the public or other interested parties.

From a conceptual perspective, this regulatory framework reflects a supervisory model that combines proactive oversight through periodic inspections with reactive enforcement mechanisms triggered by public complaints. Nevertheless, this normative framework has not been accompanied by sufficiently detailed technical regulations, thereby limiting its effective implementation in practice.

The principal weakness of Government Regulation Number 42 of 2024 lies in the absence of operational standards capable of providing legal certainty regarding the implementation of supervisory activities. The Regulation does not prescribe the minimum frequency of routine inspections, establish risk-based supervisory criteria to guide the prioritization of inspection targets, or specify the inspection methodologies to be employed by supervisory authorities. Furthermore, it does not provide technical procedures governing on-site inspections, sampling methods, document verification processes, or standardized reporting requirements applicable to inspections of MSE production facilities.

The absence of these operational provisions renders the supervisory norms contained in Government Regulation Number 42 of 2024 largely declaratory rather than operational. In other words, while the Regulation clearly recognizes the necessity of supervision and formally assigns supervisory authority, it fails to provide the legal instruments required to ensure that this mandate can be implemented through supervisory activities that are consistent, measurable, transparent, and legally accountable.

The complexity of the supervisory system increased further following the introduction of the self-declare mechanism through the amendments to the Halal Product Assurance Law under Law Number 11 of 2020 on Job Creation, which were subsequently retained under Law Number 6 of 2023.^(Nahdhah & Riswandie, 2026) The insertion of Article 4A authorizes Micro and Small Enterprises (MSEs) to declare the halal status of their own products without undergoing the comprehensive inspection by a Halal Inspection Agency (LPH) that remains mandatory for large-scale enterprises. The implementation of this mechanism is further regulated by Minister of Religious Affairs Regulation Number 20 of 2021 on Halal Certification for Micro and Small Enterprises. Under this regulation, MSEs are required to participate in Halal Product Process (HPP) training, satisfy the prescribed administrative requirements, and submit a self-declaration document to the Halal Product Assurance Organizing Agency (BPJPH) as the basis for the issuance of a halal certificate. Although the mandatory training serves an important role in enhancing business operators' understanding of halal standards, it functions merely as a capacity-building instrument during the initial stage of certification and cannot be equated with a continuous supervisory mechanism. Training provides fundamental knowledge concerning compliance with HPP requirements but does not establish a verification system capable of ensuring that such standards continue to be observed after halal certification has been granted. Consequently, the *self-declare* scheme primarily strengthens administrative compliance at the certification stage while leaving a significant gap in post-certification supervision that has yet to be addressed through an adequate legal framework.

The supervision of the Halal Product Process (HPP) is affected not only by limitations in the substantive regulatory framework but also by the fragmentation of authority among the institutions responsible for administering Indonesia's halal product assurance system. The current institutional arrangement demonstrates overlapping jurisdictions that create uncertainty regarding which institution bears primary responsibility for conducting supervisory activities in practice. The halal product assurance system involves several institutions, each deriving its authority from different legal instruments. However, the relationships among these institutions have not been integrated through an effective coordination mechanism. As a result, supervision of compliance with the Halal Product Process—particularly within the Micro and Small Enterprise (MSE) sector—has not been carried out effectively, despite the existence of overlapping institutional mandates.

Under the prevailing legal framework, the BPJPH is the principal institution entrusted with administering and supervising the halal product assurance system pursuant to Law Number 33 of 2014 on Halal Product Assurance. At the same time, the National Agency of Drug and Food Control (BPOM) possesses statutory authority to supervise food safety, product quality, and labeling compliance under Law Number 18 of 2012 on Food and its implementing regulations. Local governments, acting pursuant to the authority conferred by Law Number 23 of 2014 on Regional Government, also exercise supervisory functions over the circulation of goods and commercial activities within their respective jurisdictions, including, potentially, monitoring the use of halal labels on products marketed within their regions. In addition, the Ministry of Trade retains responsibility for supervising product labeling as part of its broader mandate concerning consumer protection and fair trade practices. Collectively, these institutions constitute a potentially robust institutional framework for halal supervision. However, such potential has yet to be realized because no memorandum of understanding (MoU), joint regulation, or formal coordination procedure specifically governs the allocation of responsibilities, data-sharing mechanisms, or joint supervisory activities among the BPJPH, BPOM, local governments, and other relevant authorities with respect to halal product supervision for MSEs.

The absence of an integrated coordination mechanism has resulted in supervisory functions being exercised according to different institutional mandates. This fragmentation can create two risks simultaneously: overlapping inspections where mandates intersect and gaps where each institution assumes that another authority is responsible. The central structural issue is therefore not simply the number of institutions involved, but the need for a sufficiently integrated system for allocating responsibilities, sharing information, and coordinating supervisory findings. In this respect, the institutional structure should be assessed not only by the existence of formal authority but also by the effectiveness of relationships among agencies with related regulatory responsibilities.

These institutional shortcomings can be more comprehensively understood through Lawrence Friedman's Legal System Theory, particularly the legal structure dimension. Friedman argues that the effectiveness of a legal system depends not only upon the existence of sound legal norms but also upon the capacity of the institutional structure responsible for implementing those norms. The concept of legal structure encompasses organizational arrangements, law enforcement institutions, statutory authority, institutional resources, and the operational mechanisms through which legal norms are implemented. Accordingly, even a comprehensive body of legislation will not produce effective law enforcement if the implementing institutions lack the capacity necessary to enforce those legal provisions. This theoretical perspective provides a compelling explanation for why Indonesia's supervisory system for the Halal Product Process has not functioned effectively despite the existence of a relatively comprehensive regulatory framework. (Rahayu et al., 2020)

When assessed against the indicators of legal structure developed by Friedman, Indonesia's halal supervisory system presents several institutional challenges, although the evidence also shows substantial efforts to strengthen capacity. BPJPH has expanded certification access through the SIHALAL digital system, the SEHATI free-certification program, regional UPTs, and coordination with ministries, local governments, and other stakeholders. BPJPH reported a target of 1.35 million free halal certificates for MSEs in 2026 and has pursued regional service capacity. These initiatives indicate that the institutional structure is not static or wholly dysfunctional. However, the expansion of certification and service capacity also increases the need to ensure that post-certification supervision develops in parallel. On the basis of the normative materials and official institutional information reviewed in this study, the more defensible conclusion is that BPJPH faces a structural-capacity challenge in balancing certification, facilitation, and continuing supervision, rather than that its budget or personnel are demonstrably dominated by certification without quantitative evidence.

Second, the scale and geographical distribution of MSEs create a substantial demand for qualified personnel capable of carrying out supervision of the HPP. Effective supervision requires expertise in halal standards, production processes, facility assessment, and compliance verification. BPJPH has responded by developing regional UPTs and expanding the broader halal-service ecosystem, while the number of MSEs and certified products remains large. The available materials, however, do not provide sufficient national-level data to quantify the ratio between supervisory personnel and MSEs. Accordingly, this study identifies the adequacy of supervisory human resources as a capacity issue that warrants further empirical measurement rather than presenting a precise staffing deficit as an established fact.

Third, the existing institutional structure has not been supported by an inter-agency coordination mechanism capable of integrating the supervisory functions of the Halal Product Assurance Organizing Agency (BPJPH), the National Agency of Drug and Food Control (BPOM), local governments, and other authorities with related regulatory responsibilities. Consequently, supervisory activities continue to be conducted in a fragmented manner and have yet to evolve into a coordinated law enforcement system. From Friedman's perspective, such circumstances indicate that weaknesses in law enforcement stem primarily from deficiencies in the institutional structure rather than merely from inadequacies in legal norms.

In addition to the legal structure, Lawrence Friedman's Legal System Theory also emphasizes the importance of the legal substance dimension. According to Friedman, the effectiveness of a legal system is significantly influenced by the quality of its legal norms, particularly the extent to which legal rules provide clear, operational, and enforceable guidance for law enforcement authorities. Evaluated against this standard, the supervisory provisions contained in both the Halal Product Assurance Law and Government Regulation Number 42 of 2024 continue to exhibit substantial normative shortcomings. While both legal instruments formally authorize the BPJPH to conduct supervisory activities, their provisions remain broadly formulated, thereby granting implementing authorities extensive discretion regarding the timing, methods, and procedures of supervision. The absence of binding operational standards has resulted in supervisory practices that depend largely upon the administrative policies adopted by individual institutions.

These findings can be complemented by Soerjono Soekanto's law-enforcement framework, which identifies five factors affecting enforcement: the law itself, law-enforcement officials, facilities or supporting resources, society, and legal culture. (Soekanto, 2008) In the context of halal supervision, the first factor relates to the clarity and completeness of supervisory norms; the second to the institutional capacity and competence of BPJPH and other relevant authorities; the third to inspection, information, and administrative infrastructure; the fourth to business-operator and consumer participation; and the fifth to the values and attitudes that shape

compliance. This framework supports a multidimensional assessment and prevents the analysis from attributing supervisory weakness solely to the legal structure.

The implications of these normative and structural deficiencies become even more evident when examined from the perspective of consumer rights protection, particularly the rights of Muslim consumers, who ultimately bear the direct consequences of ineffective supervision of the Halal Product Process (HPP). Law Number 8 of 1999 on Consumer Protection, particularly Article 4, guarantees several fundamental consumer rights, including the right to safety, the right to obtain accurate, clear, and honest information regarding goods and services, and the right to express opinions and submit complaints concerning the products and services consumed. In practice, however, these rights have generally been interpreted within the context of protecting consumers against economic losses, physical harm, and misleading commercial information. Although such an approach remains appropriate for most consumer-business relationships, it does not fully accommodate the distinctive circumstances of Muslim consumers, for whom the halal status of products constitutes an essential component of religious observance. Accordingly, this study argues that the scope of consumer protection should be interpreted more broadly to include the spiritual rights of consumers as a legitimate legal interest that also deserves protection by the State.^(Musataklima, 2021)

Within this study, the spiritual rights of consumers are understood as the right of every Muslim consumer to receive assurance that products marketed as halal are genuinely produced in accordance with the Halal Product Process (HPP) prescribed by Islamic law. These rights do not exist independently but arise as a logical consequence of the constitutional guarantees of religious freedom embodied in Article 28E and Article 29 paragraph (2) of the 1945 Constitution of the Republic of Indonesia.^(Attamimi et al., 2019) Freedom of religion not only protects an individual's right to profess and practice his or her religion but also imposes upon the State a corresponding obligation to create conditions that enable citizens to observe their religious obligations in practice. Within the context of halal consumption, this constitutional obligation is realized through the establishment of a halal product assurance system capable of ensuring that every product certified as halal continuously complies with the standards governing the Halal Product Process. Therefore, where the State fails to establish an effective supervisory mechanism, such failure extends beyond administrative and economic consequences and may interfere with the constitutional right of citizens to practice their religion.

The harm suffered by consumers as a consequence of weak supervision of the Halal Product Process is fundamentally multidimensional. From an informational perspective, consumers receive representations regarding the halal status of products that may no longer accurately reflect the actual conditions of the production process because those representations are not supported by continuous verification mechanisms. From an economic perspective, consumers pay for products under the assumption that they continue to satisfy halal standards, even though compliance with those standards may no longer be maintained after certification has been granted. More importantly, from a spiritual perspective, Muslim consumers may unknowingly consume products that no longer comply with halal requirements without any awareness that such changes have occurred. Consequently, the resulting harm extends beyond material or financial losses to include non-material harm associated with the performance of religious obligations. This spiritual dimension has received insufficient attention within conventional consumer protection regimes, despite its close relationship with the fundamental objectives of the halal product assurance system.

TABLE 1. Key Normative Instruments Governing Halal Product Supervision for MSEs in Indonesia

No.	Regulation	Key Provision	Authority and Scope	Relevance / Limitation	Normative Weaknesses
1	Law Number 33 of 2014 on Halal Product Assurance	Establishes BPJPH supervisory authority and routine/complaint-based supervision.	BPJPH; applies generally, including MSEs.	Provides the basic mandate but limited operational detail.	The concept of the spiritual rights of consumers has not yet been fully developed as a legal doctrine within Indonesian positive law, and its relationship with the State's obligation to supervise the Halal Product Assurance (HPA) system has not been explicitly recognized in legislation or judicial precedent.
2	Law Number 6 of 2023	Provides the current statutory basis for the self-declare mechanism for eligible MSEs.	MSEs meeting statutory criteria; BPJPH administers certification.	Requires effective post-certification supervision to accompany simplified certification.	No detailed operational provisions regarding inspection frequency, supervisory methodology, or MSE-specific supervisory protocols.
3	Government Regulation Number 42 of 2024	Provides the current implementing framework and staged certification obligations.	BPJPH and relevant institutions; applies across product and business categories.	Further operational guidance and coordinated risk-based supervision remain important for implementation.	Does not regulate post-declaration supervision or establish mechanisms for continuous verification of compliance with the Halal Product Process (HPP).
4	Minister of Religious Affairs Regulation	Regulates certification arrangements for MSEs, including	BPJPH, MSEs, and halal-process	Primarily addresses certification access and administratio	Does not prescribe minimum inspection frequencies, risk-based prioritization

Number 20 of 2021	criteria and assistance.	assistance actors.	n rather than a comprehensive post-certification monitoring regime.	criteria, or technical field inspection protocols specifically applicable to MSEs.
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Source: Author's Analysis, 2026

The normative inventory of legal instruments governing the supervision of the Halal Product Process (HPP), as presented in Table 1, further highlights the gap between the existence of legal norms and the effectiveness of their implementation. The nine legal instruments examined—including the 1945 Constitution of the Republic of Indonesia, Law Number 33 of 2014 on Halal Product Assurance and its subsequent amendments, Government Regulation Number 42 of 2024, Minister of Religious Affairs Regulation Number 20 of 2021, Law Number 18 of 2012 on Food, Law Number 8 of 1999 on Consumer Protection, Law Number 23 of 2014 on Regional Government, and Law Number 20 of 2008 on Micro, Small, and Medium Enterprises—collectively establish the legal foundation for Indonesia's halal product assurance system from multiple regulatory perspectives. Nevertheless, none of these legal instruments establishes a comprehensive, operational supervisory regime specifically tailored to the characteristics of Micro and Small Enterprises (MSEs), which constitute the dominant segment of Indonesia's food industry.

An examination of the Normative Weaknesses column in Table 1 reveals a remarkably consistent pattern across all of these legal instruments. Nearly all of the regulations merely establish a normative mandate requiring supervision without providing detailed provisions governing its practical implementation. None prescribes the minimum frequency of inspections, standardized operational procedures for field inspections, risk-based criteria for determining supervisory priorities, mechanisms for inter-agency coordination, or evaluation systems for monitoring post-certification compliance. Even the regulations specifically governing the self-declare mechanism focus primarily on the administrative procedures required prior to the issuance of halal certificates, while providing little guidance regarding the monitoring of business operators' continued compliance after certification has been granted. These findings indicate that the current regulatory framework places greater emphasis on certification procedures than on the development of an effective supervisory system capable of ensuring continuous compliance with the Halal Product Process (HPP).

The findings of this normative inventory provide strong support for the central argument of this study that the principal challenge facing halal product supervision in Indonesia is not the lack of legal regulations, but rather the absence of a regulatory framework capable of supporting effective law enforcement. The existence of numerous legal instruments governing the halal product assurance system has not automatically produced legal certainty regarding supervisory mechanisms. On the contrary, the coexistence of multiple regulations with overlapping scopes of authority has contributed to institutional fragmentation and operational gaps that ultimately hinder the implementation of effective supervision in practice. Accordingly, this normative inventory confirms that the root of the problem lies not in the absence of a legal basis but in the failure to establish an integrated regulatory framework capable of connecting legal norms, institutional arrangements, and law enforcement mechanisms into a coherent system. These findings also provide the foundation for the subsequent discussion, which examines in greater depth the dysfunction of the **legal structure**, as conceptualized in Lawrence Friedman's Legal

System Theory, as the principal cause of weak law enforcement in the supervision of the Halal Product Process for Micro and Small Enterprises in Indonesia.

Law Enforcement Analysis of the Impact of Weak Supervision of the Halal Product Process on Consumer Rights Protection

The causal relationship between weak supervision and the infringement of consumer rights within Indonesia's halal product governance system is neither hypothetical nor indirect. Rather, it is structurally embedded in the existing regulatory framework and can be clearly observed through the institutional consequences arising from regulatory dysfunction. Before examining its implications for consumer rights protection, however, it is necessary to first explain the mechanisms that give rise to these supervisory deficiencies. Such an examination is essential because the harms experienced by consumers are, in essence, the direct consequence of preceding failures in law enforcement. Under Law Number 33 of 2014 on Halal Product Assurance, supervision is conducted through two principal mechanisms: routine supervision and complaint-based supervision. Routine supervision is designed as a proactive regulatory mechanism carried out periodically by the State, whereas complaint-based supervision serves as a reactive enforcement mechanism initiated upon reports or objections submitted by members of the public. Conceptually, these complementary mechanisms should establish a comprehensive supervisory system capable of detecting and addressing violations of the Halal Product Process (HPP), whether committed by business operators holding halal certificates or those utilizing the self-declare mechanism. In practice, however, neither mechanism has functioned as intended, resulting in the erosion of their supervisory effectiveness. Consequently, Muslim consumers have not received the institutional protection that should be guaranteed by both the halal certification system and the State's constitutional obligation to safeguard the exercise of religious observance.

Routine supervision faces numerous institutional constraints that prevent it from effectively covering the vast majority of Micro and Small Enterprises (MSEs).^(Astri & Yopan, 2025) One of the principal causes is the imbalance in institutional priorities within the Halal Product Assurance Organizing Agency (BPJPH). In practice, supervisory functions remain subordinate to the administrative function of halal certification services. This institutional orientation is reflected in the allocation of human resources, budgetary priorities, and organizational performance indicators, all of which are directed primarily toward achieving certification targets rather than strengthening the quality of post-certification supervision. Consequently, the existing institutional framework creates administrative incentives that prioritize the quantity of halal certificates issued over the effectiveness of monitoring business operators' continuous compliance with the Halal Product Process.

Meanwhile, the complaint-based supervisory mechanism faces challenges that are equally significant. Although this mechanism is conceptually less resource-intensive than routine inspections, its effectiveness depends heavily upon public awareness of consumer rights, accessibility of complaint channels, and public confidence that complaints will be processed promptly, transparently, and accountably. To date, these prerequisites have not been fully realized within Indonesia's halal consumer protection system. Public literacy concerning Halal Product Process standards remains relatively limited, preventing many consumers from identifying violations involving raw materials, production processes, production facilities, or the qualifications of Halal Supervisors responsible for ensuring halal compliance. Furthermore, although the BPJPH has formally established complaint mechanisms, these mechanisms continue to face shortcomings in terms of accessibility, transparency, and the timeliness of complaint resolution. Such deficiencies inevitably undermine public confidence in utilizing complaint procedures as an effective instrument for protecting consumer rights. The available materials

reviewed for this study do not provide a sufficiently complete national comparison between the number of halal-related complaints received by BPJPH and the number of certified business operators. Therefore, the article does not make a quantitative characterization of complaint volume relative to the number of certified business operators. Instead, the absence of comprehensive comparative complaint data is itself a limitation for assessing the effectiveness of complaint-based supervision. Improving public awareness, accessibility, transparency, and feedback mechanisms remains important so that complaint-based supervision can function as a meaningful complement to routine supervision.

A comprehensive mapping of the legal framework governing halal product supervision reveals that Indonesia's legal system is characterized by sectoral regulation, whereby numerous institutions possess overlapping regulatory authority without adequate coordination mechanisms. Law Number 18 of 2012 on Food authorizes the National Agency of Drug and Food Control (BPOM) to supervise food safety and product labeling, including matters relating to halal labels on food products. Meanwhile, Law Number 8 of 1999 on Consumer Protection grants authority to the National Consumer Protection Agency (BPKN) and other consumer protection institutions to address violations of consumer rights, including those potentially involving the misuse of halal labels. In addition, Law Number 23 of 2014 on Regional Government empowers local governments to supervise the circulation of goods within their respective jurisdictions. Furthermore, Law Number 20 of 2008 on Micro, Small, and Medium Enterprises regulates the development and regulatory compliance of MSEs, including compliance with halal requirements as part of business operators' legal obligations. Despite these overlapping statutory mandates, Indonesia has yet to establish a joint regulation, presidential regulation, or formal coordination mechanism capable of integrating the authority of these institutions into a unified halal supervisory system. Consequently, each institution continues to exercise its authority independently according to its respective regulatory domain, while the area requiring institutional coordination—the very point at which supervisory functions should converge—remains inadequately addressed.

These institutional deficiencies can be more comprehensively explained through Lawrence Friedman's Legal System Theory. Friedman argues that the effectiveness of a legal system depends upon the integration of three interrelated subsystems: legal structure, legal substance, and legal culture. (Latifiani et al., 2022) These three components collectively determine whether legal norms can be effectively implemented within society. In the context of halal product supervision in Indonesia, the most significant weakness lies within the legal structure. Although the BPJPH has been entrusted with primary responsibility for supervising the halal product assurance system, its organizational capacity remains disproportionate to the breadth of authority assigned under the law. A substantial gap exists between the normative responsibilities imposed upon the BPJPH and the institutional resources available to supervise millions of Micro and Small Enterprises throughout Indonesia. This demonstrates that the problem extends beyond budgetary limitations or shortages of personnel. Rather, it reflects a structural weakness embedded in the institutional design of the halal product assurance system from its inception. From the outset, the system has prioritized certification services over the development of a sustainable supervisory infrastructure capable of ensuring continuous compliance with halal standards.

This institutional dysfunction is further exacerbated by weak inter-agency coordination. Friedman argues that the effectiveness of the legal structure is influenced not only by the capacity of individual institutions but also by the quality of both formal and informal relationships among organizations exercising related regulatory authority. Within Indonesia's halal supervisory system, the relationships among the Halal Product Assurance Organizing Agency (BPJPH), the National Agency of Drug and Food Control (BPOM), local governments, and consumer protection institutions continue to be characterized by unclear institutional boundaries, overlapping

jurisdictions, and the absence of effective communication and coordination mechanisms. Consequently, supervisory functions are carried out independently by each institution, preventing the development of an integrated law enforcement system capable of ensuring effective oversight of the Halal Product Process (HPP).^(Fibrianti et al., 2023)

In addition to weaknesses in the legal structure, Friedman identifies legal culture as another essential determinant of the effectiveness of a legal system. Legal culture encompasses the attitudes, values, perceptions, and behavioral patterns of both state institutions and society toward the law. Within the context of halal product supervision, two dimensions of legal culture further undermine the effectiveness of the supervisory system. At the institutional level, the organizational orientation of the BPJPH remains predominantly focused on achieving quantitative halal certification targets rather than strengthening supervision of business operators' compliance. This organizational culture has prevented supervisory functions from developing into a central component of Indonesia's halal product assurance system. At the societal level, there is a prevailing assumption that products circulating in the market are generally halal by default, particularly because the majority of producers are Muslim business operators. As a result, consumers rarely verify the halal status of products independently or utilize complaint mechanisms when they suspect violations of halal requirements. This phenomenon is clearly reflected in Indonesia's halal supervisory system, where limited consumer participation further weakens the effectiveness of institutional oversight.

The cumulative deficiencies in the legal structure, legal substance, and legal culture ultimately have direct consequences for the protection of the rights of Muslim consumers.^(Hasan et al., 2019) These consequences extend beyond a single dimension and affect multiple rights that are legally guaranteed under Indonesian law. First, consumers are deprived of their right to obtain accurate, clear, and truthful information, as guaranteed under Article 4(c) of Law Number 8 of 1999 on Consumer Protection, because the halal label displayed on a product is not always supported by effective supervision ensuring continuous compliance with the Halal Product Process (HPP).^(Jaya & Hidayat, 2025) Second, consumers are also deprived of the broader guarantee of safety. In this study, the concept of safety extends beyond protection against physical risks posed by products to include spiritual safety, namely the assurance that products consumed genuinely comply with the requirements of Islamic law.^(Maslul & Utami, 2018) Third, at a more fundamental level, weak supervision demonstrates the State's failure to fully discharge its constitutional obligation under Article 29 paragraph (2) of the 1945 Constitution of the Republic of Indonesia. It is not sufficient for the State merely to establish a formal halal certification system; it must also ensure the integrity of that certification through effective supervisory mechanisms. Without adequate supervision, the halal certification system loses its substantive significance as an instrument for protecting both the constitutional right to freedom of religion and consumer rights. Accordingly, violations of the right to accurate information, the right to spiritual safety, and the constitutional right to practice one's religion are inseparable consequences of weak law enforcement in the supervision of the Halal Product Process for Micro and Small Enterprises (MSEs) in Indonesia.^(Maulana & Zulfahmi, 2022)

Study Limitations

This study has several methodological limitations. First, it is a normative legal study and therefore does not include field observations, interviews, or a statistically representative dataset on BPJPH inspections, staffing, budgets, or complaint handling. Consequently, institutional statements concerning capacity and supervisory effectiveness are interpreted from legislation, scholarly literature, and official institutional materials rather than presented as independently verified quantitative findings. Second, the concept of consumers' spiritual rights is developed doctrinally from constitutional and consumer-protection norms and has not been tested through

empirical consumer research. These limitations mean that the study's conclusions should be understood as normative and analytical findings. Future empirical research can test the proposed indicators by examining inspection frequency, staffing, budget allocation, complaint-resolution performance, inter-agency data sharing, and business-operator compliance.

Conclusion

This study demonstrates that the principal challenge in supervising the Halal Product Process (HPP) for Micro and Small Enterprises (MSEs) in Indonesia lies less in the absence of a legal basis than in the need to translate that legal basis into effective, coordinated, and continuous supervision. Law Number 33 of 2014, as amended by Law Number 6 of 2023, together with Government Regulation Number 42 of 2024 and Minister of Religious Affairs Regulation Number 20 of 2021, provides a normative foundation for halal assurance and certification. Nevertheless, the framework requires continued strengthening of operational supervisory mechanisms, risk-based inspection, institutional coordination, and post-certification monitoring. The analysis also shows that BPJPH has undertaken significant capacity-building measures, including digital services, free-certification programs, regional UPT development, and inter-agency coordination. These measures should be complemented by a stronger post-certification orientation so that the rapid expansion of certification does not outpace the capacity to maintain continuing compliance. From the perspective of Friedman's Legal System Theory, the central issue is therefore a continuing structural and institutional capacity challenge rather than an absolute institutional failure.

The consequences of this weak supervisory system extend far beyond administrative deficiencies and reach the more fundamental domain of rights protection. This study argues that the State's failure to establish an effective supervisory system for the Halal Product Process applicable to MSEs constitutes a failure to adequately protect the spiritual rights of Muslim consumers. This doctrinal concept is derived from the constitutional guarantees of freedom of religion enshrined in Articles 28E and 29(2) of the 1945 Constitution of the Republic of Indonesia, interpreted systematically alongside the rights to safety and to accurate information guaranteed under Article 4 of Law Number 8 of 1999 on Consumer Protection. Where halal labels attached to products manufactured by MSEs are not supported by continuous verification of compliance with HPP requirements, Muslim consumers are exposed not only to economic losses and misleading information but also to the risk of unknowingly violating their religious obligations. Such spiritual harm has received limited attention within Indonesia's existing consumer protection regime, which has traditionally focused on economic interests and physical safety. Accordingly, future research employing empirical approaches—particularly field studies examining the supervisory practices of the BPJPH as well as comparative analyses of halal supervisory governance in jurisdictions such as Malaysia and Türkiye—is necessary to strengthen, validate, and operationalize the normative findings presented in this study.

Acknowledgements

The author would like to express sincere gratitude to all individuals and institutions whose support contributed to the completion of this research.

Declaration of Conflict of Interest

The author declares that there are no conflicts of interest related to the conduct of this research or the publication of this article.

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Peraturan Pemerintah Nomor 42 Tahun 2024 tentang Penyelenggaraan Bidang Jaminan Produk Halal (Lembaran Negara Republik Indonesia Tahun 2021 Nomor 50, Tambahan Lembaran Negara Republik Indonesia Nomor 6655).

Peraturan Menteri Agama Nomor 20 Tahun 2021 tentang Sertifikasi Halal bagi Pelaku Usaha Mikro dan Kecil (Berita Negara Republik Indonesia Tahun 2021 Nomor 1043)

APPENDIX

TABLE 1. Normative Inventory of Legislative Instruments Governing the Supervision of the Halal Product Process for Micro and Small Enterprises (MSEs) in Indonesia

No.	Regulation	Supervisory Provisions	Supervisory Authority and Scope	Relevance to MSEs	Normative Weaknesses
1	The 1945 Constitution of the Republic of Indonesia (Articles 28E and 29(2))	Guarantees freedom of religion and establishes the State's obligation to facilitate the exercise of religious practices, thereby providing the constitutional foundation for the doctrinal construction of the spiritual rights of Muslim consumers.	The State as the duty bearer; Muslim consumers as rights holders in religion-based consumption.	Applies to all Muslim consumers purchasing products from MSEs marketed with halal representations.	The concept of the spiritual rights of consumers has not yet been fully developed as a legal doctrine within Indonesian positive law, and its relationship with the State's obligation to supervise the Halal Product Assurance (HPA) system has not been explicitly recognized in legislation or judicial precedent.
2	Law Number 33 of 2014 on Halal Product Assurance (HPA Law)	Articles 49–50 require the Halal Product Assurance Organizing Agency (BPJPH) to conduct both routine supervision and complaint-based supervision of the Halal Product	BPJPH serves as the primary supervisory authority through two supervisory mechanisms: routine inspections and complaint-based supervision.	Applies generally and does not establish a supervisory mechanism specifically designed for MSEs.	No detailed operational provisions regarding inspection frequency, supervisory methodology, or MSE-specific supervisory protocols.

		Assurance system.			
3	Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (replacing Law Number 11 of 2020)	Article 4A allows MSEs to declare the halal status of their products through a self-declaration mechanism without third-party inspection.	MSEs act as declarants, with primary responsibility for verification effectively shifted to business operators.	Specifically applies to MSEs and constitutes the current legal basis for the self-declaration scheme.	Does not regulate post-declaration supervision or establish mechanisms for continuous verification of compliance with the Halal Product Process (HPP).
4	Government Regulation Number 39 of 2021 on the Implementation of Halal Product Assurance	Articles 72–78 specify the scope of supervision, including halal materials, the Halal Product Process, halal labeling, supervisory authorities, and the dual supervisory mechanism.	BPJPH and related institutions; routine inspections and complaint-based enforcement.	Applies to all business operators, including MSEs, while distinguishing procedures applicable to self-declaration.	Does not prescribe minimum inspection frequencies, risk-based prioritization criteria, or technical field inspection protocols specifically applicable to MSEs.
5	Minister of Religious Affairs Regulation Number 20 of 2021 on Halal Certification for Micro and Small Enterprises	Regulates the administrative procedures for submitting, processing, and recording self-declarations within the BPJPH system.	BPJPH as the receiving authority; MSEs as applicants; focuses exclusively on front-end administrative procedures.	Applies exclusively to MSEs utilizing the self-declaration mechanism.	Purely administrative in nature; regulates only document submission and processing without addressing post-registration monitoring or compliance verification.
6	Law Number 18 of 2012 on Food	Grants the National Agency of Drug and Food Control (BPOM) authority to supervise food safety	BPOM acts as a concurrent supervisory authority responsible for food safety and labeling compliance.	Applies to all food producers, including MSEs engaged in food and beverage production.	Creates overlapping jurisdiction with the HPA Law, while no formal coordination protocol exists between BPOM and BPJPH for integrated halal-food supervision.

		and product labeling, including matters intersecting with halal labeling of food products.			
7	Law Number 8 of 1999 on Consumer Protection	Article 4 guarantees consumers' rights to safety (paragraph a) and to accurate, clear, and truthful information (paragraph c); Article 8 prohibits misleading product representations.	The National Consumer Protection Agency (BPKN) and other consumer protection institutions; complaint-based enforcement.	Applies to all consumer transactions, including halal-labeled products produced by MSEs.	Does not explicitly recognize the spiritual rights of consumers; conventional interpretation remains limited to economic interests and physical safety.
8	Law Number 23 of 2014 on Regional Government	Delegates market supervision functions to local governments, potentially including the monitoring of halal labeling within their respective jurisdictions.	Local governments act as third-tier supervisory authorities responsible for territory-based market monitoring.	Highly relevant to MSEs given their widespread geographical distribution across Indonesia.	Does not establish a specific mandate for halal supervision by local governments, nor a formal coordination mechanism linking local supervisory functions with BPJPH.
9	Law Number 20 of 2008 on Micro, Small, and Medium Enterprises	Establishes the general regulatory framework for MSEs, including the State's obligation to facilitate compliance.	Central and local governments serve as facilitators, while MSEs constitute the regulated entities.	Defines the classification of MSEs and the State's obligation to provide guidance and assistance.	Not integrated with the supervisory obligations under the Halal Product Assurance system; halal compliance is not recognized as a distinct regulatory challenge requiring dedicated facilitation for MSEs.

Source: Author's Analysis, 2026